



## MEETING MINUTES

# Housing Authority of Mono County

Board of Supervisors Chambers

County Courthouse  
Bridgeport, California 93517

### REGULAR MEETING September 11, 2007

1:15 p.m. **MEETING CALLED TO ORDER BY CHAIRMAN HUNT**

### **OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE HOUSING AUTHORITY**

No one spoke.

#### **1) COMMISSION MEMBER REPORTS**

**Commissioner Reid** reported on the following issues and activities:

1. Was unable to attend a meeting in Lee Vining about affordable housing sites; this will be discussed at the RPAC tomorrow.

**Commissioner Farnetti** reported on the following issues and activities:

1. No report.

**Commissioner Bauer** reported on the following issues and activities:

1. No report.

**Commissioner Hazard** reported on the following issues and activities:

1. No report.

**Chairman Hunt** reported on the following issues and activities:

1. Received correspondence from Marzano and Sons regarding the housing mitigation ordinance (on file in the Clerk's Office).

#### **2) APPROVAL OF MINUTES**

Special meeting of August 14, 2007.

**M07-75 (Hazard/Reid, 5-0)**

- 3)** Housing Mitigation Ordinance Revisions (**Larry Johnston, Mark Magit**)  
**M07-76** **ACTION:** Approve the revised ordinance to reflect Option D, and agendize the ordinance for a future Board of Supervisors meeting.  
**(Farnetti/Hazard, 5-0)**

Larry Johnston provided the following information:

- Regarding Sierra Business Park, out of 36 lots total, assumed 9 lots are open, 9 will be used for storage, and 18 will be used for industrial/service commercial purposes. The current ordinance requires housing mitigation for 25% of the employees; total units would be one unit per lot. The generation factor of the County's ordinance is lower than what the State office of Planning Research shows.
- Options: (1) Consider no housing requirement, (2) change the employee generation rate or mitigation rate or both, (3) change the threshold, or (4) not base housing mitigation on employees per square feet, but on how many employees there will be. Planning focused on option (2), which would create a new category for storage development using .1 employees per 1,000 square feet, keep warehouse development at .2 employees per 1,000 square feet, reduce industrial/service commercial development to .2 employees per 1,000 square feet, and keep the mitigation rate at 25%.
- Referred to a document summarizing various options about the build-out (on file in the Clerk's Office). For a 180,000 square-foot storage/warehouse development, housing would be reduced from 9 units to 4.5 units; for a 270,000 square-foot service commercial development, housing would be reduced from 27 to 13.5 units.

#### Discussion

Commissioner Farnetti served on the committee to review options and he said the option presented seems to be the fairest; the proposed reduction in the housing requirement is substantial. The Housing Authority can continue to tweak the ordinance; hopefully the proposed changes address both housing needs and developers' concerns. Regarding the Sierra Business Park, Commissioner Hazard said the committee worked through a process to determine a reasonable amount of housing; developers will continue to have the appeals process in order to question the policy.

Commissioner Bauer said the percentage is still too high; she prefers Option G. She said there is a distinction between big developers and small developers, since large developments will greatly impact an area. Chairman Hunt said there is a need for workforce housing; the question is how to address it. The County has to come to terms with this issue.

Chairman Hunt asked how Mono County's ordinance compares across rural counties. Mark Magit, County Counsel's Office, said Mono County is probably the only one of rural counties addressing housing issues since need, types of development, and the cost of property create a high housing cost. Some counties have no housing ordinances. Out of 58 counties and several hundred cities, about 120-130 have a housing mitigation ordinance. Chairman Hunt said he wants to be sure the County is fair; Mono County is unique because of the high median income and housing costs.

Commissioner Bauer expressed concern about stifling development. Commissioner Farnetti said 8.8% for housing out of a million-dollar project is not stifling. Real estate agents in Mammoth are saying there is not a lot happening currently in real estate or funding for major projects due to market conditions. The revised fees are not out of line based upon the size of the project; there are other

factors impacting development, for example, the cost of money, construction costs, and bad market conditions. Chairman Hunt said they have a plan that is reviewable on a case-by-case basis.

Rob Morgan, developer, said the revised fee structure will help a lot. He suggested the County needs to strive to eliminate the fees. There is no guarantee with this model that the County will get any fees; another type of fee, such as TOT, would provide more certain income.

Commissioner Reid asked about the Town's model; Johnston said the Town's model is different because they have a transient workforce. The County's model generates an affordable unit and tries to get housing into communities that contribute to the long-term quality of the community; the County wants to create housing for families. Mammoth housing is more dorm-like; the County wants to get units rather than fees. When fees are generated, they are used as leverage for grants.

Commissioner Hazard said he wants housing to stay residential. Commissioner Bauer said June Lake will need transient occupancy housing. Mark Magit pointed out that the County has a different building history than the Town; Mono County does not have multi-residential housing. In drafting the ordinance, a different spectrum of options was considered based on this history.

Morgan said fees derived in the unincorporated County should not be used to purchase property in Mammoth. Chairman Hunt said that is a consideration, but this is a complex issue. Johnston said staff supports housing where there are jobs. Sierra Business Park can't accommodate housing so the nearest location for housing is in Mammoth.

The Commission then addressed questions raised in a letter submitted by Marzano and Sons (on file in the Clerk's Office).

- Grading permits are required by Great Basin and the County, so developers are getting charged twice. The Commission asked staff to research this issue and report to the Board of Supervisors.
- Asked the Commission to reduce generation rates. This was discussed earlier.
- Asked to eliminate the Planning Commission's review for alternative proposals since this takes an extra month; requests should go directly to the Board. Staff commented that the Planning Commission provides a filter and makes a recommendation. Commissioner Hazard said a month doesn't seem like a big delay considering some projects take years to go through the process. Johnston said bigger projects require an EIR and discussion of housing proposals; smaller projects pose different issues. Magit said nothing prevents a developer from accelerating the process via an appeal regarding housing mitigation requirements early in the process. Commissioner Bauer said Sierra Business Park only needs to deal with the Building Department; affordable housing issues go before the Planning Commission. Applicants need to know there is an option to appeal to the Board.
- Spend money for housing in the community where it is collected. Commissioner Reid sees a problem with taking money from the unincorporated County and spending it in Mammoth. Commissioner Hunt said there is a reason to promote housing near employment; he doesn't want to restrict it too much. Commissioner Hazard opposed restricting the money; it needs to be generated to support the workforce, but used where it is appropriate for housing. He supported flexibility. Commissioner Farnetti agreed; they need flexibility in order to leverage options.

Commissioner Hunt said budget allocations vary from year-to-year; there is no guarantee funding will be available on a regular basis. He asked staff to present ways to fund affordable housing outside the mitigation ordinance; Commissioner Bauer agreed.

The idea of using part of the transient occupancy tax (TOT) to increase funding was presented. Brian Muir, Finance Director, presented the TOT breakdown: 1% tourism, 2% ambulance, 9% general fund (1% equates to \$250,000 based on a normal year). Commissioner Reid suggested involving RPACs if there is a change in the use of the TOT. Commissioner Farnetti agreed that constituents need to be informed. Commissioner Bauer said there is value in engaging communities in how *they* address affordable housing and not just how the Board addresses it. Commissioner Hazard agreed with the idea of working with the public before moving forward with the TOT concept; he was reluctant to push TOT as a way to address housing needs. Marshall Rudolph, County Counsel, said all TOT funds are legally general funds and can be spent on any purpose; the 1% and 2% are not binding earmarks. Commissioner Bauer suggested using 1% from the 9% for housing. Chairman Hunt said the amount will fluctuate from year-to-year. Commissioner Farnetti said there was no reason to open a discussion on the TOT when the Board has the flexibility to use it for purposes they choose.

- 4) **Land Tenure Planning Update (Scott Burns)**  
**ACTION:** Receive update of land tenure planning activities, and provide direction to staff.

Scott Burns provided the following updates:

- The Housing Authority expressed an interest in negotiating on a house in Chalfant. The Tribe is not ready to pursue this.
- A developer has proposed a subdivision on the boundary of Inyo and Mono Counties. The County's policy focuses on development in adjacent communities; the developer was invited to consider other options.
- Regarding a potential land exchange, it does not look promising; there may be a large development in the Chalfant area.
- The County received applications in the north, near Sonora Junction; Planning is starting to get proposals for large-lot residential units.
- If land is purchased by some interested environmental parties, the County will lose properties off the tax roles. Commissioner Hazard asked about protecting utility rights-of-way in light of wildlife conservation easements. Burns said they are considering a communications plan. Hazard suggested collecting one-time, up-front mitigation fees. Marshall Rudolph, County Counsel, said he will have to research this issue.
- Regarding the Lupin parcel in Mammoth, disposition of this property will be put on a future agenda. Mark Magit, County Counsel's Office, said the property is still in escrow. He did not think the decision regarding housing mitigation would affect the property; however, the subsequent payment amounts may be reduced.

5) Community Development Block Grant Update (**Scott Burns**)

**ACTION:** Receive update on current CDBG grant, and provide any desired direction to staff.

Scott Burns provided the following updates:

- Mammoth Housing is doing a good job administering \$1.2 million in CDBG funding. Burns is following up with them on agreements to administer loan grants.
- Requested a scope-of-work from the consultant that does strategic planning; waiting for a cost estimate. Initially intended to take funding out of the \$1.2 million grant and obtained approval from the State to do so. There is another funding source if more money is needed. There should be a plan soon.
- Used \$10,000 to do a *pro forma* of Crowley Estates affordable housing project; this investigates the feasibility of doing affordable housing.
- There is a new funding round for technical assistance grants.

6) Rental Housing Procedures (**Larry Johnston, Mark Magit**)

**ACTION:** Conduct workshop on potential protocols and criteria for renting county-owned housing, and provide direction to staff.

Mark Magit, County Counsel's Office, gave a PowerPoint presentation (on file in the Clerk's Office):

- The focus is on workforce housing and resident requirements.
- He has not had the time to fine tune this process, and asked to defer this discussion to the meeting in November.

Commissioner Hazard asked if the rental in Benton is vacant. Larry Johnston said yes; they have solicited County employees, and will now open up the opportunity to other employees.

7) Regional Housing Needs Allocation (**Scott Burns**)

**ACTION:** Conduct workshop on Regional Housing Needs Allocation, and provide any desired direction to staff.

Scott Burns provided the following update:

- They are starting the next round of housing element updates, which are due by August 2009.
- The housing target for Mono County is 594 housing units needed in the next five-year period (by 2014). The last allocation was 529, so this is a 65 unit increase. Staff is concerned about the higher number; there is a period of time to challenge the number. This number would be split with the Town. Will be working with Housing Community Development to reduce the number.

Commissioner Bauer said CSAC has been dealing with this issue because HCD is out of touch with housing needs in California; it is not reflective of affordable housing. She will work with CSAC on this issue.

**ADJOURNED: 3:05 p.m.**

Adjourn meeting and reconvene in regular session on November 13, 2007, in the Board of Supervisors Chambers, County Courthouse, Bridgeport, California.

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